



United States Department of the Interior
BUREAU OF LAND MANAGEMENT
Colorado State Office
2850 Youngfield Street
Lakewood, Colorado 80215-7076

IN REPLY REFER TO:
CO922(QK)

February 4, 2009

NOTICE OF ADDENDUM # 4

This amends the Colorado State Office, Competitive Oil and Gas Lease Sale Notice dated December 12, 2008, with the Lease Sale Auction to be held on February 12, 2009.

COC73539 – The Field Office has added additional stipulations to this parcel as follows:

The following lands are subject to Exhibit CO-27, Controlled Surface Use Stipulation - to protect steep slopes:

T. 0440N., R 0180W., NMPM
Sec. 19:W2SW;

The following lands are subject to Exhibit SJ-03, No Surface Occupancy Stipulation - to protect recreational and visual values:

T. 0440N., R 0180W., NMPM
Sec. 19: SW;

The Forest Service parcel stipulations have been detailed in order to provide as much information as possible to the Lessee before the Lease Sale. Detailed Forest Service stipulations are as follows:

EXHIBIT FS-01

Lease Number:

NOTICE FOR LANDS OF THE NATIONAL FOREST SYSTEM

The permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 26, Chapter II, of the Code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights granted by the Secretary of Interior in the permit. The Secretary of Agriculture's rules and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of a permit/operation plan by the Secretary of the Interior, (2) uses of all existing improvements, such as forest development roads, within and outside the area permitted by the Secretary of the Interior, and (3) use and occupancy of the NFS not authorized by an exploration plan approved by the Secretary of the Interior.

NOTICE

CULTURAL AND PALEONTOLOGICAL RESOURCES – The FS is responsible for assuring that the leased lands are examined to determine if cultural resources are present and to specify mitigation measures. Prior to undertaking any surface-disturbing activities on the lands covered by this lease, the lessee or operator, unless notified to the contrary by the FS, shall:

1. Contact the FS to determine if a site specific cultural resource inventory is required. If a survey is required, then:
2. Engage the services of a cultural resource specialist acceptable to the FS to conduct a cultural resource inventory of the area of proposed surface disturbance. The operator may elect to inventory an area larger than the area of proposed disturbance to cover possible site relocation which may result from environmental or other considerations. An acceptable inventory report is to be submitted to the FS for review and approval at the time a surface disturbing plan of operation is submitted.

3. Implement mitigation measures required by the FS and BLM to preserve or avoid destruction of cultural resource values. Mitigation may include relocation of proposed facilities, testing, salvage, and recordation or other protective measures. All costs of the inventory and mitigation will be borne by the lessee or operator, and all data and materials salvaged will remain under the jurisdiction of the U. S. Government as appropriate.

EXHIBIT FS-01 CONTINUED

The lessee or operator shall immediately bring to the attention of the FS and BLM any cultural or paleontological resources or any other objects of scientific interest discovered as a result of surface operations under this lease, and shall leave such discoveries intact until directed to proceed by FS and BLM.

ENDANGERED OR THREATENED SPECIES

The FS is responsible for assuring that the leased land is examined prior to undertaking any surface-disturbing activities to determine effects upon any plant or animal species listed or proposed for listing as endangered or threatened, or their habitats. The findings of this examination may result in some restrictions to the operator's plans or even disallow use and occupancy that would be in violation of the Endangered Species Act of 1973 by detrimentally affecting endangered or threatened species or their habitats.

The lessee/operator may, unless notified by the FS that the examination is not necessary, conduct the examination on the leased lands at his discretion and cost. This examination must be done by or under the supervision of a qualified resource specialist approved by the FS. An acceptable report must be provided to the FS identifying the anticipated effects of a proposed action on endangered or threatened species or their habitats.

EXHIBIT FS-02

Lease Number:

NO SURFACE OCCUPANCY STIPULATION
SLOPES >60%

No surface occupancy or use is allowed on the lands described below (legal subdivision or other description).

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A. All areas within the leasehold with 60% slopes or greater fall under jurisdiction of this stipulation.

For the purpose of:

Protection of areas with slopes greater than 60% to prevent impacts to soil resources through erosion, mass failure, loss of productivity, etc.

Waivers, exceptions, or modifications (WEM's) to this stipulation will be considered only at the time operations are proposed, and will be subject to the Forest Land and Resource Management Plan in effect at the time of consideration, and will be subject to applicable regulatory and environmental compliance requirements. Granting of a WEM is a discretionary action which the operator should not routinely expect. The Forest Service reserves the right to impose other stipulations in the same area of this leasehold if a WEM is granted.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820).

EXHIBIT FS-02

Lease Number:

NO SURFACE OCCUPANCY STIPULATION WETLANDS/FLOODPLAINS/RIPARIAN AREAS

No surface occupancy or use is allowed on the lands described below (legal subdivision or other description).

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A. Wetlands, Floodplains and Riparian Areas of any defined drainage or location containing these specific ecosystem types come under jurisdiction of this stipulation. Drill pads, staging areas and storage sites will not be allowed in these areas. When road locations must occur in these areas, streams will be crossed at right angles and access across other areas will be held to a minimum. Streams will not be paralleled by roads through these areas.

Location of these areas which is more specific than can be identified on USGS topographical maps will come at the APD stage based on on-the-ground observations.

For the purpose of:

The management of wetlands and floodplains are subject to Executive Orders 11990 and 11988, respectively. The purpose of the EO's are to avoid to the extent possible the long and short term adverse impacts associated with the destruction or modification of wetlands and floodplains and to avoid direct or indirect support of new construction in wetlands wherever there is a practical alternative.

Also, it is recognized that there is a direct relationship between impacts on such areas and effects on water quality and aquatic ecosystems. There is a high risk of irreversible and irretrievable impacts on the latter with operation and developments in wetlands, floodplains and riparian areas.

Waivers, exceptions, or modifications (WEM's) to this stipulation will be considered only at the time operations are proposed, and will be subject to the Forest Land and Resource Management Plan in effect at the time of consideration, and will be subject to applicable regulatory and environmental compliance requirements. Granting of a WEM is a discretionary action which the operator should not routinely expect. The Forest Service reserves the right to impose other stipulations in the same area of this leasehold if a WEM is granted.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820).

EXHIBIT FS-02

Lease Number:

NO SURFACE OCCUPANCY STIPULATION
HIGH GEOLOGIC HAZARD

No surface occupancy or use is allowed on the lands described below (legal subdivision or other description).

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A. Areas of high geologic hazard have been mapped from aerial photographs and are characterized by active mudflows, active earth flows, active landslides and areas prone to avalanche. All areas within the lease with high geologic hazard are under jurisdiction of this stipulation.

For the purpose of:

Avoidance of areas with high geologic hazard to prevent mass slope failure.

Waivers, exceptions, or modifications (WEM's) to this stipulation will be considered only at the time operations are proposed, and will be subject to the Forest Land and Resource Management Plan in effect at the time of consideration, and will be subject to applicable regulatory and environmental compliance requirements. Granting of a WEM is a discretionary action which the operator should not routinely expect. The Forest Service reserves the right to impose other stipulations in the same area of this leasehold if a WEM is granted.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820).

EXHIBIT FS-02

Lease Number:

NO SURFACE OCCUPANCY STIPULATION ALPINE/TUNDRA AREAS

No surface occupancy or use is allowed on the lands described below (legal subdivision or other description).

Land areas above timberline as shown on the attached map which become a part hereof.

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A.

For the purpose of:

- a. Preventing significant or permanent impairment of soil productivity.
- b. Maintaining or improving water quality to meet Federal or State standards.
- c. Minimizing the potential significant or cumulatively significant impacts in ecosystems, per 40 CFR 1508.26(b)(7).
- d. Minimizing visual quality impacts.
- e. Maintaining the integrity of associated ecosystems.

Waivers, exceptions, or modifications (WEM's) to this stipulation will be considered only at the time operations are proposed, and will be subject to the Forest Land and Resource Management Plan in effect at the time of consideration, and will be subject to applicable regulatory and environmental compliance requirements. Granting of a WEM is a discretionary action which the operator should not routinely expect. The Forest Service reserves the right to impose other stipulations in the same area of this leasehold if a WEM is granted.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820).

EXHIBIT FS-02

Lease Number:

NO SURFACE OCCUPANCY STIPULATION RETENTION VQO AND LOW VAC

No surface occupancy or use is allowed on the lands described below (legal subdivision or other description).

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A. Any area within the leasehold which has a visual quality objective of retention and low visual absorption capability falls within jurisdiction of this stipulation.

For the purpose of:

Protecting the visual quality of areas with significant visual resources.

Waivers, exceptions, or modifications (WEM's) to this stipulation will be considered only at the time operations are proposed, and will be subject to the Forest Land and Resource Management Plan in effect at the time of consideration, and will be subject to applicable regulatory and environmental compliance requirements. Granting of a WEM is a discretionary action which the operator should not routinely expect. The Forest Service reserves the right to impose other stipulations in the same area of this leasehold if a WEM is granted.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820).

EXHIBIT FS-03

Lease Number:

TIMING LIMITATION STIPULATION BIG GAME WINTER RANGE

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

1. Exploration, drilling and development activity will not be allowed during the period from December 1 to April 30.
2. New oil and gas roads on public lands will be closed yearlong to the public.

On the lands described below:

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A. All lands which are classified as big game winter range fall within jurisdiction of this stipulation.

For the purpose of (reasons):

Preventing unnecessary stress on the wintering wildlife herds and causing an increase in mortality resulting from disturbances and habitat losses. These areas are critical for mule deer, bighorn sheep, elk and turkey during winter. They serve as key concentration areas which support and sustain these species and are extremely important for animal survival.

Waivers, exceptions, or modifications (WEM's) to this stipulation will be considered only at the time operations are proposed, and will be subject to the Forest Land and Resource Management Plan in effect at the time of consideration, and will be subject to applicable regulatory and environmental compliance requirements. Granting of a WEM is a discretionary action which the operator should not routinely expect. The Forest Service reserves the right to impose other stipulations in the same area of this leasehold if a WEM is granted.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.

EXHIBIT FS-03

Lease Number:

TIMING LIMITATION STIPULATION
SPECIAL WILDLIFE HABITATS

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

Elk calving and mule deer fawning areas:	April 15 to July 1
Elk and mule deer migration routes:	March 1 to May 30
	November 1 to December 31
Elk and mule deer staging areas:	October 15 to December 31
Sage Grouse Leks and nesting areas: (within a 2 ½ mile radius of the leks)	March 1 to June 1

On the lands described below:

- a. Elk calving and mule deer fawning areas.
- b. Elk and mule deer migration routes and staging areas.
- c. Sage grouse leks and nesting areas.

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A. All lands categorized as listed in a, b, and c above fall within jurisdiction of this stipulation

For the purpose of (reasons):

Preventing human disturbance which would produce increased stress, leading to poor physical condition, winter mortality and/or reduced reproduction. These areas have been identified through a coordinated effort with the Colorado Division of Wildlife (CDOW). Disturbance during the reproductive season may reduce herd productivity. For nesting species, surface disturbance and associated human activity could disrupt breeding and/or cause nest abandonment. Disruption of migration routes or staging areas could result in direct mortality to big game species by disrupting annual normal staging and migration patterns to winter ranges. Animals could be dispersed or delayed in traveling to their winter ranges, causing direct mortality during normal fall/early winter snows.

Waivers, exceptions, or modifications (WEM's) to this stipulation will be considered only at the time operations are proposed, and will be subject to the Forest Land and Resource Management Plan in effect at the time of consideration, and will be subject to applicable regulatory and environmental compliance requirements. Granting of a WEM is a discretionary action which the operator should not routinely expect. The Forest Service reserves the right to impose other stipulations in the same area of this leasehold if a WEM is granted.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.

EXHIBIT FS-04

Lease Number:

CONTROLLED SURFACE USE STIPULATION BIG GAME WINTER RANGE

SURFACE OCCUPANCY OR USE IS SUBJECT TO THE FOLLOWING SPECIAL OPERATING CONSTRAINTS.

Limit road use to periods when animals are not present on the winter range. Restrict road use to operators. Recontour and revegetate to prior existing conditions (to extent possible) new roads when work is complete.

Operation and maintenance of production facilities will be scheduled to minimize adverse effects on big game (Elk, mule Deer, Big Horn Sheep, and Turkey) from December 1, to April 30.

On the lands described below:

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A. Any area within the leasehold which is classified as Big Game winter range for one of the 4 species listed above falls under jurisdiction of this stipulation.

For the purpose of:

Protecting big game winter range for Elk, Mule Deer, Big Horn Sheep, and Turkey. These ranges are extremely important for animal survival during winter. Disturbances and habitat losses may place unnecessary stress on wintering wildlife herds and cause increase in herd mortality.

Waivers, exceptions, or modifications (WEM's) to this stipulation will be considered only at the time operations are proposed, and will be subject to the Forest Land and Resource Management Plan in effect at the time of consideration, and will be subject to applicable regulatory and environmental compliance requirements. Granting of a WEM is a discretionary action which the operator should not routinely expect. The Forest Service reserves the right to impose other stipulations in the same area of this leasehold if a WEM is granted.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

EXHIBIT FS-04

Lease Number:

CONTROLLED SURFACE USE STIPULATION
SLOPES 40 – 60%

SURFACE OCCUPANCY OR USE IS SUBJECT TO THE FOLLOWING SPECIAL OPERATING CONSTRAINTS.

Special inter-disciplinary team analysis and mitigation plans detailing construction and mitigation techniques will be required on areas with slopes ranging from 40-60%. (Inter-disciplinary team disciplines could include engineering, soil scientist, hydrologist, landscape architect, reclamation specialist and oil and gas specialist.)

Mitigation may include use of erosion control cloths, mats, geoweb soil support materials, lifting and saving local native vegetation in chunks of sod to be later placed over disturbed areas, reseeding disturbed banks with stabilizing seed mix, use of chemical stabilizers, tackifiers and blankets and careful design of surface water flow.

On the lands described below:

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A. Any area within the leasehold which has slopes ranging from 40-60% falls under jurisdiction of this stipulation.

For the purpose of:

Minimizing potential for soil loss, mass land movement, revegetation failure and unacceptable visual impairment.

Waivers, exceptions, or modifications (WEM's) to this stipulation will be considered only at the time operations are proposed, and will be subject to the Forest Land and Resource Management Plan in effect at the time of consideration, and will be subject to applicable regulatory and environmental compliance requirements. Granting of a WEM is a discretionary action which the operator should not routinely expect. The Forest Service reserves the right to impose other stipulations in the same area of this leasehold if a WEM is granted.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

EXHIBIT FS-04

Lease Number:

CONTROLLED SURFACE USE STIPULATION
MODERATE GEOLOGIC HAZARDS

SURFACE OCCUPANCY OR USE IS SUBJECT TO THE FOLLOWING SPECIAL OPERATING CONSTRAINTS.

Special interdisciplinary team analysis and mitigation plans detailing construction and mitigation techniques will be required on areas having moderate geologic hazards. (Interdisciplinary team disciplines could include: geotechnical engineer, soils engineer, roads engineer, oil and gas specialist and reclamation specialist.) Attributes constituting moderate geologic hazard include stabilized earthflows, stabilized mudflows and stabilized landslides; slopes adjacent to failed slopes or active earthflows, mudflows or landslides and avalanche chutes; areas of rockfall; flash flood zones; and areas with potential mining related problems (i.e., subsidence, acid drainage).

On the lands described below:

On portions (or all, which ever is applicable) of the lands as shown on the attached map, Exhibit A. Any area within the leasehold which is identified as having moderate geologic hazard falls under jurisdiction of this stipulation.

For the purpose of:

To insure the stability of facilities required (roads, pipelines, drillpads,etc.) during the oil and gas operations and to insure the stability of lands adjacent to these facilities.

Waivers, exceptions, or modifications (WEM's) to this stipulation will be considered only at the time operations are proposed, and will be subject to the Forest Land and Resource Management Plan in effect at the time of consideration, and will be subject to applicable regulatory and environmental compliance requirements. Granting of a WEM is a discretionary action which the operator should not routinely expect. The Forest Service reserves the right to impose other stipulations in the same area of this leasehold if a WEM is granted.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

EXHIBIT FS-04

Lease Number:

CONTROLLED SURFACE USE STIPULATION
SPECIAL WILDLIFE HABITATS

SURFACE OCCUPANCY OR USE IS SUBJECT TO THE FOLLOWING SPECIAL OPERATING CONSTRAINTS.

Limit road use to periods when animals are not present. Restrict road use to operators. Recontour and revegetate to prior existing conditions (to extent possible) new roads when work is complete.

Operation and maintenance of producing wells during the following timeframes will be conducted in such a way as to minimize disruption to the species being considered:

Elk calving and Mule Deer fawning:	April 15 to July 1
Elk and Mule Deer migration routes:	March 1 to May 30 November 1, to December 31
Elk and Mule Deer staging areas:	October 15 to December 31
Sage Grouse leks and nesting areas: (within a 2 ½ mile radius of the Lek)	March 1 to June 1

On the lands described below:

- a. Elk calving and Mule Deer fawning areas.
- b. Elk and Mule Deer migration routes and staging areas.
- c. Sage Grouse leks and nesting areas within a 1 ½ mile radius of the lek.

On portions (or all, which ever is applicable) of the lands as shown on the attached map, Exhibit A. All lands categorized as listed in a, b, and c above, fall within jurisdiction of this stipulation.

For the purpose of:

Preventing human disturbance which would produce increased stress, leading to poor physical condition, winter mortality and/or reduced reproduction. These areas have been identified through a coordinated effort with the Colorado Division of Wildlife (CDOW). Disturbance during the reproductive season may reduce herd productivity. For nesting species, surface disturbance and associated human activity could disrupt breeding and/or cause nest abandonment. Disruption of migration routes or staging areas could result in direct mortality to big game species by disrupting annual normal staging and migration patterns to winter ranges. Animals could be dispersed or delayed in traveling to their winter ranges, causing direct mortality during normal fall/early winter snows.

Waivers, exceptions, or modifications (WEM's) to this stipulation will be considered only at the time operations are proposed, and will be subject to the Forest Land and Resource Management Plan in effect at the time of consideration, and will be subject to applicable regulatory and environmental compliance requirements. Granting of a WEM is a discretionary action which the operator should not routinely expect. The Forest Service reserves the right to impose other stipulations in the same area of this leasehold if a WEM is granted.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

EXHIBIT FS-04

Lease Number:

CONTROLLED SURFACE USE STIPULATION RETENTION VISUAL QUALITY OBJECTIVE

SURFACE OCCUPANCY OR USE IS SUBJECT TO THE FOLLOWING SPECIAL OPERATING CONSTRAINTS.

When necessary to meet the retention visual quality objective (VQO), site clearings, roads, collection facilities, structures, utilities and pipelines will be relocated. At the time of an APD, a visual resource assessment will be made considering vegetation, topography, proposed facilities and on-site controls necessary to mitigate expected impacts sufficiently to insure meeting the retention VQO.

On the lands described below:

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A. All areas within the lease hold which are identified as having a Retention VQO fall under jurisdiction of this stipulation. Planning scale visual quality maps are on file at the District offices and at the Forest Supervisors Office in Delta, Colorado.

For the purpose of:

1. Protecting the natural and social scenic values of these areas.
2. Preventing location of oil and gas related facilities in areas where a retention VQO could not be met.

Waivers, exceptions, or modifications (WEM's) to this stipulation will be considered only at the time operations are proposed, and will be subject to the Forest Land and Resource Management Plan in effect at the time of consideration, and will be subject to applicable regulatory and environmental compliance requirements. Granting of a WEM is a discretionary action which the operator should not routinely expect. The Forest Service reserves the right to impose other stipulations in the same area of this leasehold if a WEM is granted.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

EXHIBIT FS-04

Lease Number:

CONTROLLED SURFACE USE STIPULATION
WATERSHEDS OF SPECIAL INTEREST TO MUNICIPALITIES

SURFACE OCCUPANCY OR USE IS SUBJECT TO THE FOLLOWING SPECIAL OPERATING CONSTRAINTS.

A ¼ MILE BUFFER WILL BE ESTABLISHED AROUND EACH DEVELOPED SURFACE WATER INLET AND SPRING DEVELOPMENT IN THE WATERSHED. WATERLINES WILL ALSO BE PROTECTED. At the APD stage special consideration will be given to insure against contamination of ground water aquifers. All reserve mud pits will be closed systems. No disposal of wastewater will be allowed by subsurface injection.

On the lands described below:

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A. Any developed domestic facilities within the Kannah Creek watershed falls under jurisdiction of this stipulation.

For the purpose of:

Protecting the water resource in the Kannah Creek watershed from contamination which would degrade water quality below state and federal standards for domestic water.

Waivers, exceptions, or modifications (WEM's) to this stipulation will be considered only at the time operations are proposed, and will be subject to the Forest Land and Resource Management Plan in effect at the time of consideration, and will be subject to applicable regulatory and environmental compliance requirements. Granting of a WEM is a discretionary action which the operator should not routinely expect. The Forest Service reserves the right to impose other stipulations in the same area of this leasehold if a WEM is granted.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

EXHIBIT FS-04

Lease Number:

CONTROLLED SURFACE USE STIPULATION SCENIC BYWAYS

SURFACE OCCUPANCY OR USE IS SUBJECT TO THE FOLLOWING SPECIAL OPERATING CONSTRAINTS.

When necessary to meet the scenic, social, cultural and historical values associated with the (site specific Byway) site clearing, roads, collection facilities, structures, utilities and pipelines will be relocated. At the time of an APD, visual and interpretive resource assessments will be made considering vegetation, topography, proposed facilities and on-site controls necessary to mitigate impacts to the (specific byway). A computer generated perspective may be required as part of the visual impact assessment.

On the lands described below:

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A. Any area within the leasehold which is within the (specific Scenic Byway) falls under the jurisdiction of this stipulation.

For the purpose of:

To protect the scenic, social, historic and cultural resource values associated with the specific Scenic Byway.

Waivers, exceptions, or modifications (WEM's) to this stipulation will be considered only at the time operations are proposed, and will be subject to the Forest Land and Resource Management Plan in effect at the time of consideration, and will be subject to applicable regulatory and environmental compliance requirements. Granting of a WEM is a discretionary action which the operator should not routinely expect. The Forest Service reserves the right to impose other stipulations in the same area of this leasehold if a WEM is granted.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

EXHIBIT FS-05

Lease Number:

USDA - FOREST SERVICE - LEASE NOTICE
CANADA LYNX HABITAT OR LINKAGE AREAS

The lessee is hereby notified that this lease contains ...

Lands in this lease contain mapped Canada lynx habitat and/or linkage areas. The Lessee is encouraged to contact the local Forest Service Ranger District office for maps of Canada lynx habitat or linkage areas, and potential site-specific requirements for conservation of Canada lynx habitat or linkage areas prior to proposing operations on the lease. The Forest Service will assess any proposed operations to determine effects on Canada lynx. Results of this assessment may result in some restrictions on proposed operations, or disallow use and occupancy if they would be in violation of the Endangered Species Act of 1973.

The lands affected include:

EXHIBIT FS-05

Lease Number:

USDA - FOREST SERVICE - LEASE NOTICE
TOWN OF NORWOOD WATER SUPPLY

The lessee is hereby notified that this lease contains ...

Lands in this lease lie within the area providing drinking water for the town of Norwood, Colorado, and may contain associated water conveyance structures. The Lessee is encouraged to contact the local Forest Service Ranger District Office for information and maps regarding the source water area, water conveyance structures, and potential site-specific requirements to protect the public water system prior to proposing operations on the lease.

The lands affected include:

EXHIBIT FS-05

Lease Number:

USDA - FOREST SERVICE - LEASE NOTICE
GUNNISON SAGE GROUSE HABITAT

The lessee is hereby notified that this lease contains ...

Lands in this lease contain mapped Gunnison Sage Grouse (GUSG) habitat. The Lessee is encouraged to contact the local Forest Service Ranger District office for maps of GUSG Habitat and potential site-specific requirements for conservation of habitat prior to proposing operations on the lease. The Forest Service will assess any proposed operations to determine effects on the GUSG and its habitat consistent with the *Gunnison Sage Grouse Rangewide Conservation Plan*, 2005. Results of this assessment may show a need for restrictions on proposed operations to meet the strategies of the *Gunnison Sage Grouse Rangewide Conservation Plan*.

The lands affected include:

EXHIBIT FS-05

Lease Number:

USDA - FOREST SERVICE - LEASE NOTICE
ADMINISTRATIVE SITE

The lessee is hereby notified that this lease contains ...

Lands in this lease contain structures and/or facilities utilized in the administration of National Forest System Lands by the Norwood Ranger District. The Lessee is encouraged to contact the local Forest Service Ranger District office for potential site-specific requirements and maps detailing the portions of the lands currently used by the Forest Service prior to proposing operations on the lease.

The lands affected include:

Karen Zurek
Chief, Fluid Mineral Adjudication